



SUMMARY OF CODE OF ETHICS and CONDUCT for SAFCOM BOARD

INTRODUCTION

SAFCOM, a wholly subsidiary of JSE, has as its main business, the establishment, management and actor as a clearing house for the conclusion of contracts in financial instruments of every kind and description. SAFCOM is licensed as an exchange under the Securities Services Act, No. 36 of 2004

In order to optimise the operation of the clearing house, the company has appointed and therefore mandates the JSE to perform the operating functions, risk management services, declaration of defaulting members and clearing house services (“the services”) on its behalf. The provision of these services is governed by the applicable contract between the JSE and SAFCOM as well as the applicable JSE rules. The Head: Post Trade Services Division of the JSE is the individual who has been designated as the officer responsible (“RO”) for ensuring that the services are delivered in accordance with the JSE rules and contractually agreed service levels.

By virtue of the fact that the JSE performing the services:

- all staff utilised by SAFCOM are employed or contracted by the JSE;
- all systems and equipment necessary to perform the operating functions are owned and managed by the JSE, or a JSE Vendor; and
- SAFCOM’s funds are managed on its behalf by the JSE, in accordance with the SAFCOM investment policy

In this context the following code applies to the SAFCOM Board.

PHILOSOPHY

SAFCOM values integrity, business ethics and customer needs and is committed to ensuring that these are sustained in its operations and interaction with clients and stakeholders. Thus SAFCOM board members **commit to** the following expected behaviour and values:

- services delivered with **professionalism** and **excellence**;
- display unquestionable **integrity** and **honesty** in all business transactions with all stakeholders ;
- treat everyone **fairly** and with mutual **respect**;
- demonstrate **commitment** and a positive **attitude**
- understand the importance of **disclosing** potential conflicts of interest

STANDARDS

Corporate and Media Relations

From time to time, SAFCOM may receive inquiries from the media about its activities. Only officials who are authorised to do so by SAFCOM may disclose such information.

Disclosure of Information

Information relating to SAFCOM, its service providers and clients must be kept confidential.

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An employee may not disclose or communicate to any person or make use of any information in relation to SAFCOM's affairs including trade secrets, property, inventions etc. that he/she may have acquired while in employ of SAFCOM.

Gifts

SAFCOM Board are required to disclose gifts accepted (financial or otherwise).

Conflict of Interest

The general principle that underlies conflict of interest is that SAFCOM board members should avoid any activity, investment or interest that might reflect unfavourably upon the integrity or good name of SAFCOM or themselves.

Personal interests should not influence SAFCOM board members when engaging in business dealings on behalf of SAFCOM. They are expected to place the SAFCOM's interest ahead of any personal gain in every business transaction as well as disclose all the facts in any situation where a conflict of interest may arise.

THE FOLLOWING TRANSGRESSIONS ARE PROHIBITED

Dishonesty

Includes the following:

Bribery and Corruption

This includes:

- Giving, receiving or attempting to receive any bribe.
- Inducing any person to perform a corrupt act
- Receiving a gift from a client in return for a favour(s)

Fraud and Falsification of Information/Documents

Fraud and falsification of information may include:

- Falsifying the completion of SAFCOM documents.
- False requests for time off or absence from work due to a claim of illness.
- Falsifying the processing of credit transactions.
- Making false statements regarding an injury.
- Falsifying or changing any document with dishonest intent or attempting to do so.
- Making untruthful disclosures.
- Giving false evidence against another person.

Sabotage

Deliberately inflicting harm or damage with the intention of disrupting SAFCOM operations.

Conspiracy

Permitting, assisting and encouraging another person to commit a transgression.

**Negligence**

Board members are expected to treat SAFCOM's material and property with proper care and respect.

Unauthorised Use and Misuse of SAFCOM's Property

SAFCOM's property may only be used by authorised individuals or non-SAFCOM staff who must be authorised to do so.

Disreputable Conduct of Employees

A board member may not bring SAFCOM into disrepute in any way whatsoever.

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